Schedule 3.11
Financial Statements

Audited balance sheets as at December 31, 2008 related statements (attached)

Unaudited balance sheet as at December 31, 2009, December 31, 2010 and February 28, 2011 & related statements (attached)

AGE Refining, Inc.

Consolidated Financial Statements

December 31, 2008 and 2007

AGE Refining, Inc.

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PS&Co.

Padgett Stratemann & Co. LLP
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

Independent Auditors' Report

To the Board of Directors
AGE Refining, Inc.
San Antonio, Texas

We have audited the accompanying consolidated balance sheets of AGE Refining, Inc. (the "Company") as of December 31, 2008 and 2007, and the related consolidated statements of income, changes in stockholders' equity, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of AGE Refining, Inc. as of December 31, 2008 and 2007, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Padgett, Stratemann & Co LLP
Certified Public Accountants
March 31, 2009

AGE Refining, Inc.

Consolidated Balance Sheets

December 31, 2008 and 2007

Assets

Current Assets	2008	2007
Cash and cash equivalents	$ 23,048,624	$ 45,202,362
Accounts receivable:		
Trade – less allowance for doubtful accounts of $297,346 and $197,548 as of December 31, 2008 and 2007	7,540,160	21,090,689
Other	503,743	544,805
Inventory	6,726,043	13,620,292
Prepaid expenses	769,835	586,037
Total current assets	38,588,405	81,044,185
Property, Plant, and Equipment – net	82,533,338	69,665,401
Other Assets		
Deposits and other long-term assets	1,481,858	116,127
Advances to stockholder and employee	-	961,723
Total other assets	1,481,858	1,077,850
	$ 122,603,601	$ 151,787,436

Notes to consolidated financial statements form an integral part of these statements.

Liabilities and Stockholders' Equity

	2008	2007
Current Liabilities		
Trade accounts payable	$ 25,238,496	$ 50,382,989
Accrued liabilities and other	2,814,090	1,830,006
Current portion of long-term debt	6,388,889	5,555,556
Income taxes payable	331,574	487,664
Total current liabilities	34,773,049	58,256,215
Long-Term Debt – less current portion	31,666,667	28,055,556
Total liabilities	66,439,716	86,311,771
Noncontrolling Interests	92,371	101,059
Stockholders' Equity		
Common stock – $1 par value; 100,000 shares authorized; 19,607 shares issued; 10,000 shares outstanding	19,607	19,607
Additional paid-in capital	3,046,291	1,901,393
Retained earnings	53,505,616	63,953,606
	56,571,514	65,874,606
Less treasury stock – 9,607 shares at cost	500,000	500,000
Total stockholders' equity	56,071,514	65,374,606
	$ 122,603,601	$ 151,787,436

AGE Refining, Inc.

Consolidated Statements of Income

Years Ended December 31, 2008 and 2007

	2008	2007
Revenues:		
Product sales	$ 619,472,071	$ 419,267,733
Transportation income	4,408,265	4,811,630
Total revenues	623,880,336	424,079,363
Costs and expenses:		
Cost of sales	596,224,608	380,499,083
Selling, general, and administrative expenses	10,760,246	9,201,328
Total costs and expenses	606,984,854	389,697,627
Operating income	16,895,482	34,381,736
Other income (expense):		
Interest income	673,546	1,461,231
Interest expense	(1,323,704)	(281,220)
Letters of credit financing fees	(410,563)	(341,835)
Other – net	1,322,281	1,203,874
	261,560	2,035,223
Income before income taxes and noncontrolling interest	17,157,042	36,416,959
Income tax expense	368,822	440,982
Income before noncontrolling interest	16,788,220	35,975,977
Noncontrolling interest in losses of consolidated affiliates	8,688	4,043
Net income	$ 16,796,908	$ 35,980,020

Notes to consolidated financial statements form an integral part of these statements.

AGE Refining, Inc.

Consolidated Statements of Changes in Stockholders' Equity

Years Ended December 31, 2008 and 2007

	Common Stock	
	Shares	Amount
Balance at December 31, 2006	19,607	$ 19,607
Net income – year ended December 31, 2007	-	-
Dividends	-	-
Balance at December 31, 2007	19,607	19,607
Net income – year ended December 31, 2008	-	-
Additional paid-in capital	-	-
Dividends	-	-
Balance at December 31, 2008	**19,607**	$ **19,607**

Notes to consolidated financial statements form an integral part of these statements.

Additional Paid-In Capital	Retained Earnings	Treasury Stock Shares	Treasury Stock Amount	Total
$ 1,901,393	$ 36,646,423	9,607	$ (500,000)	$ 38,067,423
-	35,980,020	-	-	35,980,020
-	(8,672,837)	-	-	(8,672,837)
1,901,393	63,953,606	9,607	(500,000)	65,374,606
-	16,796,908	-	-	16,796,908
1,144,898	-	-	-	1,144,898
-	(27,244,898)	-	-	(27,244,898)
$ 3,046,291	$ 53,505,616	9,607	$ (500,000)	$ 56,071,514

AGE Refining, Inc.

Consolidated Statements of Cash Flows

Years Ended December 31, 2008 and 2007

	2008	2007
Cash Flows From Operating Activities		
Net income	$ **16,796,908**	$ 35,980,020
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**1,300,448**	1,657,349
Gain on the sale of assets	**(38,783)**	(4,685)
Noncontrolling interest in losses of consolidated affiliates	**(8,688)**	(4,043)
Changes in:		
Trade and other accounts receivable	**13,591,591**	448,613
Inventory	**6,894,249**	(7,065,397)
Other assets	**(227,227)**	228,724
Trade accounts payable	**(25,144,493)**	24,115,182
Accrued liabilities and other	**984,084**	(1,799,378)
Income taxes payable	**(156,090)**	(425,115)
Net cash provided by operating activities	**13,991,999**	53,131,270
Cash Flows From Investing Activities		
Purchases of property, plant, and equipment	**(14,095,606)**	(52,668,450)
Proceeds from the sale of assets	**72,880**	40,000
Capitalized turnaround costs	**(1,429,178)**	-
Advances to stockholder and employee	**961,723**	(70,518)
Net cash used in investing activities	**(14,490,181)**	(52,698,968)

Notes to consolidated financial statements form an integral part of these statements.

AGE Refining, Inc.

Consolidated Statements of Cash Flows

Years Ended December 31, 2008 and 2007

(Continued)

	2008	2007
Cash Flows From Financing Activities		
Payments on long-term debt	$ (5,555,556)	$ (1,388,888)
Proceeds from long-term debt	10,000,000	35,000,000
Dividends to stockholders	(27,244,898)	(8,672,837)
Additional paid-in capital	1,144,898	-
Net cash provided by (used in) financing activities	(21,655,556)	24,938,275
Net increase (decrease) in cash and cash equivalents	(22,153,738)	25,370,577
Cash and cash equivalents at beginning of year	45,202,362	19,831,785
Cash and cash equivalents at end of year	$ 23,048,624	$ 45,202,362
Supplemental Cash Flow Information		
Interest paid	$ 3,013,712	$ 515,564
Income taxes paid	$ 600,000	$ 1,331,600

AGE Refining, Inc.

Notes to Consolidated Financial Statements

1. Nature of Operations and Summary of Significant Accounting Policies

Reporting Entity and Nature of Operations

AGE Refining, Inc. and its consolidated affiliated entities (collectively, the "Company") manufacture or refine and market jet fuels, diesel fuels, and solvents. The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

A summary of the significant accounting policies followed by the Company in preparation of the accompanying consolidated financial statements is set forth below.

Principles of Consolidation

In December 2003, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 46R ("FIN 46"), *Consolidation of Variable Interest Entities*. FIN 46 provides that if an entity is the primary beneficiary of a Variable Interest Entity ("VIE"), the assets, liabilities, and results of operations of the VIE should be consolidated in the entity's financial statements. Based on the guidance in FIN 46, the Company concluded that Tierra Pipeline, LLC ("Pipeline") and Tierra G Squared Land and Properties GP, LLC ("Land and Properties") are VIEs and the Company is the primary beneficiary of Pipeline's and Land and Properties' expected cash flows. Accordingly, the Company began consolidating Pipeline's and Land and Properties' financial results in 2006.

Pipeline and Land and Properties are wholly owned by a stockholder of the Company. The Company has provided, and will continue to provide, subordinated financial support for the operations of Pipeline and Land and Properties. Pipeline commenced operations in 2006 with the purpose of obtaining the right-of-way to build a pipeline from San Antonio, Texas to the Gulf Coast, which will be used to transport the Company's products. Land and Properties commenced operations in 2006 with the purpose of obtaining land surrounding the Company's current facilities in anticipation of future plant expansion.

AGE Refining, Inc.

Notes to Consolidated Financial Statements

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements

FASB Interpretation No. 48

In July 2006, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* ("FIN 48"). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, *Accounting for Income Taxes.* FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on derecognition of tax benefits, classification on the balance sheet, interest and penalties, accounting in interim periods, disclosure, and transition.

In December 2008, FASB provided for a deferral of the effective date of FIN 48 for certain nonpublic enterprises to annual financial statements for years beginning after December 15, 2008. The Company has elected this deferral and, accordingly, will be required to adopt FIN 48 in its 2009 annual financial statements. Prior to the adoption of FIN 48, the Company will continue to evaluate its uncertain tax positions and related income tax contingencies under SFAS No. 5, *Accounting for Contingencies.* SFAS No. 5 requires the Company to accrue for losses it believes are probable and can be reasonably estimated. While management has not yet completed its analysis, it does not anticipate the adoption of FIN 48 will have a material impact on its financial position or results of operations.

SFAS No. 157, Fair Value Measurements

In September 2006, FASB issued SFAS No. 157, *Fair Value Measurements,* which defines fair value, establishes a framework for measuring fair value, and expands disclosure about fair value measurements. SFAS No. 157 applies under other accounting pronouncements that require or permit fair value measurements and does not require any new fair value measurements. The provisions of SFAS No. 157 are effective beginning January 1, 2008. However, in February 2008, FASB issued FASB Staff Position ("FSP") No. 157-2, *Effective Date of FASB Statement No. 157.* FSP delays the effective date of SFAS No. 157 for the Company until January 1, 2009 for nonfinancial assets and nonfinancial liabilities, except for items that are recognized or disclosed at fair value on a recurring basis. The provisions of the standard effective as of January 1, 2008 had no material impact on the Company's financial position or results of operations. The Company is currently evaluating the impact, if any, the provisions of the standard for other nonfinancial assets and liabilities will have on its financial position and results of operations.

AGE Refining, Inc.

Notes to Consolidated Financial Statements

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash equivalents for purposes of the consolidated statements of cash flows are all highly liquid debt instruments purchased with a maturity of three months or less.

Trade Accounts Receivable

The allowance for doubtful accounts is established as losses are estimated to have occurred through a provision for bad debts charged to earnings. Losses are charged against the allowance when management believes the uncollectibility of a receivable is confirmed. Subsequent recoveries, if any, are credited to the allowance. The allowance for doubtful accounts is evaluated on a regular basis by management and is based on historical experience and specifically identified questionable receivables. The evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

Inventory

Crude oil and refined product inventory is stated at the lower of cost (first-in, first-out method) or market (net realizable value). Cost of crude oil and refined product inventory is primarily determined using the average cost method.

Revenue and Cost Recognition

The Company recognizes revenue and related product cost when persuasive evidence of a sales arrangement exists, delivery has occurred, the buyer's price is fixed or determinable, and collectability is reasonably assured. The Company extends credit on terms it establishes with its individual customers and sales are generally uncollateralized.

AGE Refining, Inc.

Notes to Consolidated Financial Statements

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Depreciation and Amortization

Property, plant, and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are calculated on the straight-line method based on the following estimated useful lives:

	Estimated Useful Life
Buildings	27.5 years
Plant and related equipment	16 years
Machinery and equipment	10 years
Furniture and office equipment	3-6 years
Vehicles and equipment	3-10 years

Expenditures for maintenance and repairs are charged to expense as incurred. Cost incurred in connection with planned major maintenance activities for the Company (refinery turnaround cost) are deferred when incurred and amortized over that period of time estimated to lapse until the next turnaround occurs. Significant capital improvements are appropriately capitalized and amortized over their useful life.

Impairment of Long-Lived Assets

The Company reviews the carrying value of property, plant, and equipment for impairment whenever events and circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, and the effects of obsolescence, demand, competition, and other economic factors.

AGE Refining, Inc.

Notes to Consolidated Financial Statements

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments

The fair value of the Company's cash and cash equivalents, receivables, and accounts payable and accrued expenses approximate the carrying amounts of such instruments due to their short maturity. The fair value of the Company's long-term debt as of December 31, 2008 and 2007 approximates the carrying amount because the rates and terms currently available to the Company approximate the rates and terms on the existing debt.

Noncontrolling Interests in Consolidated Entities

The consolidated financial statements include all assets, liabilities, revenues, and expenses of entities that are controlled by the Company, including VIEs in which the Company is the primary beneficiary. Accordingly, the Company has recorded noncontrolling interest in the losses and equity of such entities.

Advertising

Advertising costs are expensed as incurred. Advertising expense totaled $5,424 and $2,805 for the years ended December 31, 2008 and 2007, respectively.

Shipping Costs

The Company has reported transportation revenues and associated costs as revenues and cost of sales, respectively, in the accompanying consolidated statements of income.

Reclassification

Certain reclassifications have been made in the prior years' financial statements to conform to the current year's presentation. The presentation in the prior year Supplemental Cash Flow Information – Equipment Purchased with direct financing of $10,000,000 has been reclassified as proceeds from long-term debt and an offsetting increase in the purchases of property, plant, and equipment with no net effect to the Statement of Cash Flow.

2. Accounts Receivable – Other

At December 31, 2008, included in accounts receivable – other was approximately $55,000 due from the Internal Revenue Service ("IRS") for refunds of excise taxes remitted by the Company on sales of aviation grade kerosene to the United States Government ($231,000 at December 31, 2007). The Company remits leaking underground storage tax ("LUST") on all sales of aviation grade kerosene and files a return for LUST paid on sales to the United States Government, a tax-exempt entity.

AGE Refining, Inc.

Notes to Consolidated Financial Statements

3. Property, Plant, and Equipment

Property, plant, and equipment consist of the following:

	December 31, 2008	2007
Buildings, plant equipment, and machinery	$ 14,722,350	$ 13,176,844
Land	1,636,075	1,662,075
Furniture and office equipment	1,129,942	808,440
Vehicles and equipment	438,152	382,263
Construction in progress	72,827,372	60,662,759
	90,753,891	76,692,381
Less accumulated depreciation and amortization	8,220,553	7,026,980
	$ 82,533,338	$ 69,665,401

4. Long-Term Debt

On October 26, 2006, the Company entered into a credit agreement (the "Credit Agreement") with a financial institution which provides a $50,000,000 commitment (the "Commitment") to make revolving loans and issue letters of credit. Availability for revolving loans is equal to the lesser of the Commitment or a borrowing base calculated on percentages of eligible receivables and inventory and certain specified cash balances, adjusted for other factors as specified in the Credit Agreement. At December 31, 2008, approximately $16,172,000 was available under these revolving loans. At the Company's election, revolving loans bear interest at the Alternate Base rate, which is equal to the greater of the prime rate (3.25% at December 31, 2008), or the federal funds effective rate plus 0.50% (0.25% at December 31, 2008), or adjusted LIBOR plus 2.25% (1.75% at December 31, 2008), as defined. The Company pays financing fees on the average daily amount outstanding under letters of credit at annual rates ranging from 0.85% to 1.25%.

Interest and financing fees are payable monthly. There are no revolving loans outstanding at December 31, 2008. Letters of credit outstanding at December 31, 2008 totaled approximately $25,341,551 ($45,504,000 in 2007). The Credit Agreement is collateralized by substantially all the Company's assets and requires the Company to maintain certain covenants. The Credit Agreement matures with all outstanding balances due on October 26, 2011.

AGE Refining, Inc.

Notes to Consolidated Financial Statements

4. Long-Term Debt (continued)

During 2008 and 2007, the Company amended and restated the Credit Arrangement to receive capital funding from Tranche A section 1, Tranche A section 2, and Tranche B loans. The loans bear variable interest at the Eurodollar rate (adjusted LIBOR plus the Eurodollar category margin), recalculated at the beginning of each note's payment period. The Tranche A loans bear interest at adjusted LIBOR plus Eurodollar category 6 margin (6.25%), which was 8.40% and 8.00% at December 31, 2008, for section 1 and section 2, respectively.

The Tranche B loan bears interest at adjusted LIBOR plus Eurodollar category 6 margin (6.25%), which was 8.00% at December 31, 2008. Tranche loans outstanding at December 31, 2008 totaled $28,055,556 ($33,611,112 in 2007).

During 2008, the Company entered into a second lien credit agreement with the same financial institution, in which the Company borrowed $10,000,000, which was outstanding at December 31, 2008. The loan bears interest at 12% and is due upon maturity in 2014.

In response to new regulations mandated by the Environmental Protection Agency, the Company entered into a significant capital project in 2006. The credit agreements included covenants impacted by the project costs and schedule, some of which the Company was in violation of at December 31, 2008 and 2007. In September 2008 and March 2009, the Company entered into amendments to these credit agreements that waived these covenant violations.

Aggregate maturities required on long-term debt at December 31, 2008 consist of the following:

Year ending December 31,	
2009	$ 6,388,889
2010	8,888,889
2011	8,888,889
2012	3,888,889
2013	-
Later Years	10,000,000
	$ 38,055,556

AGE Refining, Inc.

Notes to Consolidated Financial Statements

5. Income Taxes

The Company, with the consent of its stockholders, has elected under the Internal Revenue Code to be taxed as an S Corporation. The stockholders of an S Corporation are taxed on their proportionate share of the Company's taxable income; therefore, no provision or liability for federal income taxes has been included in the consolidated financial statements. Certain specific deductions and credits flow through the Company to its stockholders.

Pipeline and Land and Properties are not taxpaying entities for federal or state income tax purposes; accordingly, a provision for income taxes has not been recorded in the accompanying financial statements related to those entities. Income or losses are reflected in the partners' individual income tax returns.

Pipeline and Land and Properties are subject to the Texas gross margin tax.

In 2007, the company became subject to the Texas gross margin tax, which replaced the Texas franchise tax. Deferred Texas gross margin tax may result due to timing differences in the financial reporting and income tax basis of gross margin. No provisions for deferred Texas gross margin tax are provided in the accompanying financial statements, as amounts are not significant.

The provision for income taxes for the years ended December 31, 2008 and 2007 differs from the amount obtained by applying the state income tax rates to gross margin, due to permanent differences.

6. Employee Benefit Program

The Company has a 401(k) profit sharing plan for the benefit of eligible employees, as defined. The plan year commences January 1 of each year and ends December 31. The Company may make matching contributions equal to a discretionary percentage of the participant's salary reductions, as determined by the stockholders. Total Company contributions expensed for 2008 and 2007 were $104,000 and $152,000, respectively.

7. Related Party Transactions

AGE Transportation, Inc. ("Transportation"), which is wholly owned by a former director of the Company, is the primary provider of the transportation of crude oil from the Company's suppliers and provides common carrier services to some of the Company's customers.

AGE Refining, Inc.

Notes to Consolidated Financial Statements

7. Related Party Transactions (continued)

The Company's costs incurred by using Transportation for its common carrier needs were approximately $21,224,000 and $15,800,000 for the years ended December 31, 2008 and 2007, respectively. Accounts payable related to Transportation were approximately $3,056,000 and $2,949,000 as of December 31, 2008 and 2007, respectively.

The Company and Transportation contract certain services from each other. The Company paid Transportation approximately $137,000, and Transportation paid the Company approximately $864,000 for these services for each of the years ended December 31, 2008 and 2007. Additionally, Transportation purchases fuel from the Company, and revenues related to these purchases were approximately $4,498,000 and $2,155,000 for the years ended December 31, 2008 and 2007, respectively. Accounts receivable from Transportation were approximately $139,000 and $230,000 as of December 31, 2008 and 2007, respectively.

8. Commitments and Contingent Liabilities

Leases

The Company has entered into various office space and railcar leases which expire between February 2008 and August 2014, with rates ranging between approximately $1,000 and $3,200 per month. Rental expense for the years ended December 31, 2008 and 2007 was approximately $945,000 and $694,000, respectively. Minimum future lease payments as of December 31, 2008 are as follows:

Year ending December 31,	
2009	$ 172,765
2010	62,034
2011	4,740
2012	4,740
2013	4,740
2014	3,160
	$ 252,179

AGE Refining, Inc.

Notes to Consolidated Financial Statements

8. Commitments and Contingent Liabilities (continued)

Litigation

There are claims arising in the normal course of business pending against the Company. While it is not feasible to predict or determine the outcome of any case, it is the opinion of management that the ultimate dispositions will have no material effect on the financial position and results of operations of the Company.

In addition, in the nine months ended December 31, 2005, the Company received price advantages totaling approximately $1,095,000, included in revenues, as a result of its participation in a Small Business Administration ("SBA") program in connection with certain government fuel sale contracts. These price advantages were included in the consolidated statements of income beginning with the contract year which commenced April 1, 2000. After a review of eligibility, the Company has refunded a portion of the price advantages generated between April 1, 2000 and December 31, 2005, totaling $9,000,000, which was accrued for as a reduction of revenues as of December 31, 2005. The Company paid $7,400,000 of this in 2006 and $1,600,000 in 2007, which concluded the repayment. The Company has not lost any government contracts as a result of this matter and continues to be eligible to participate in government contracts. In March of 2008, the Company renewed and recertified its participation in the SBA program.

Asset Retirement Obligation

The Company has asset retirement obligations with respect to certain refinery assets due to various legal obligations to clean and/or dispose of various component parts of the refinery upon retirement. However, these component parts can be used for extended and indeterminate periods of time as long as they are properly maintained and/or upgraded. It is the Company's practice and current intent to maintain refinery assets and continue making improvements to those assets based on technological advances. As a result, management believes the refinery has an indeterminate life for purposes of estimating asset retirement obligations because dates or ranges of dates upon which the Company would retire refinery assets cannot reasonably be estimated at this time. When a date or range of dates can reasonably be estimated for the retirement of any component part of the refinery, management will estimate the cost of performing the retirement activities and record a liability for the fair value of that cost using established present value techniques.

AGE Refining, Inc.

Notes to Consolidated Financial Statements

9. Customers and Credit Risk

The Company has a government contract to supply JP-8 (jet fuel) to three United States Air Force bases which represented approximately 17% and 19% of the Company's revenues for the years ended December 31, 2008 and 2007, respectively. The Company also has an annual contract with the United States Air Force to supply TS-Kero, with one-year renewal options through March 31, 2012. The contract represented approximately 3% of the Company's revenues for each of the years ended December 31, 2008 and 2007. The Company had contracts with a major refinery to supply NAPHTHA and #4 Fuel Oil, which represented approximately 38% and 45% of the Company's revenues for the years ended December 31, 2008 and 2007, respectively.

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. At December 31, 2007, accounts at each institution were insured by the Federal Deposit Insurance Corporation ("FDIC") up to $100,000. Effective October 3, 2008, all accounts at the institution were insured by the FDIC up to $250,000, and the insurance was unlimited for noninterest-bearing accounts.

10. Subsequent Event

Effective March 1, 2009, an employee was granted, without cost, a 5% nonvoting common stock grant, which vests 1% per year over the next five years. Cash distributions, allocations, and repurchase of the granted stock will be made as specified in the shareholder agreement.

The stock grant is subject to Statement of Financial Accounting Standards ("SFAS") No. 123(R), *Share-Based Payment,* ["SFAS No. 123(R)] which requires compensation expense be measured at the grant date based on the value of the award and recognized over the service period. Management of the Company has determined the stock grant is an equity interest as defined by SFAS No. 123(R) and compensation expense related to the grant will be recognized based on its value on the grant date.

AGE REFINING INC
Balance Sheet
December 31, 2009

	Dec 31, 2009
ASSETS	
CURRENT ASSSETS:	
CASH & CASH EQUIVALENTS	$15,099,316
ACCOUNTS RECEIVABLE:	
TRADE ACCOUNTS RECEIVABLE	8,908,413
ALLOWANCE FOR BAD DEBTS	(391,897)
OTHER	1,656,149
INVENTORY	15,453,476
PREPAID EXPENSES	845,887
TOTAL CURRENT ASSETS	41,571,345
PROPERTY, PLANT, AND EQUIPMENT:	
LAND	1,247,420
BUILDINGS AND EQUIPMENT	102,657,738
ACCUMULATED DEPRECIATION	(11,408,922)
TOTAL PP&E	92,496,236
OTHER ASSETS:	
DEPOSITS & OTHER L-T ASSETS	702,588
ADVANCES TO STOCKHOLDERS	17,630
TOTAL OTHER ASSETS	720,218
TOTAL ASSETS	$134,787,799
LIABILITIES & EQUITY	
CURRENT LIABILITIES:	
ACCOUNTS PAYABLE:	
TRADE	35,682,126
ACCRUED LIABILITIES	2,057,753
CURRENT PORTION OF L-T DEBT	9,505,556
FRANCHISE TAX PAYABLE	59,209
TOTAL CURRENT LIABILITIES	47,304,643
L-T DEBT EXCL CURRENT PORTION	30,183,333
TOTAL LIABILITIES	77,487,976
STOCKHOLDER'S EQUITY:	
COMMON STOCK	19,607
ADDITIONAL PAID IN CAPITAL	6,038,706

TREASURY STOCK	(500,000)
CURRENT EARNINGS	1,250,386
SHAREHOLDER DISTRIBUTION	(63,034,178)
RETAINED EARNINGS	113,525,302
TOTAL STOCKHOLDERS EQUITY	57,299,822
TOTAL LIABILITIES & EQUITY	$134,787,799

AGE REFINING INC
Balance Sheet
December 31, 2010

	Dec 31, 2010
ASSETS	
CURRENT ASSSETS:	
CASH & CASH EQUIVALENTS	$3,362,071
ACCOUNTS RECEIVABLE:	
TRADE ACCOUNTS RECEIVABLE	16,485,664
ALLOWANCE FOR BAD DEBTS	(446,897)
OTHER	5,078,466
INVENTORY	8,763,718
PREPAID EXPENSES	1,565,715
TOTAL CURRENT ASSETS	34,808,737
PROPERTY, PLANT, AND EQUIPMENT:	
LAND	1,247,420
BUILDINGS AND EQUIPMENT	103,334,820
ACCUMULATED DEPRECIATION	(16,440,134)
TOTAL PP&E	88,142,107
OTHER ASSETS:	
DEPOSITS & OTHER L-T ASSETS	646,845
ADVANCES TO STOCKHOLDERS	17,630
TOTAL OTHER ASSETS	664,475
TOTAL ASSETS	$123,615,319
LIABILITIES & EQUITY	
CURRENT LIABILITIES:	
ACCOUNTS PAYABLE:	
TRADE	12,077,350
ACCRUED LIABILITIES	1,960,145
CURRENT PORTION OF L-T DEBT	15,309,677
FRANCHISE TAX PAYABLE	9,170
TOTAL CURRENT LIABILITIES	29,356,341
L-T DEBT EXCL CURRENT PORTION	34,936,824
TOTAL LIABILITIES	64,293,165
STOCKHOLDER'S EQUITY:	
COMMON STOCK	19,607
ADDITIONAL PAID IN CAPITAL	7,338,706

TREASURY STOCK	(500,000)
CURRENT EARNINGS	722,331
SHAREHOLDER DISTRIBUTION	(63,034,178)
RETAINED EARNINGS	114,775,687
TOTAL STOCKHOLDERS EQUITY	59,322,153
TOTAL LIABILITIES & EQUITY	$123,615,319

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ASSETS

CURRENT ASSSETS:		
CASH & CASH EQUIVALENTS	$	2,498,205
ACCOUNTS RECEIVABLE:		
TRADE ACCOUNTS RECEIVABLE		17,890,381
ALLOWANCE FOR BAD DEBTS		(461,897)
OTHER		8,130,227
INVENTORY		9,856,425
PREPAID EXPENSES		896,241
TOTAL CURRENT ASSETS		38,809,583
PROPERTY, PLANT, AND EQUIPMENT:		
LAND		1,247,420
BUILDINGS AND EQUIPMENT		103,820,062
ACCUMULATED DEPRECIATION		(17,805,197)
TOTAL PP&E		87,262,286
OTHER ASSETS:		
DEPOSITS & OTHER L-T ASSETS		245,492
ADVANCES TO STOCKHOLDERS		17,630
TOTAL OTHER ASSETS		263,122
TOTAL ASSETS	$	126,334,990

LIABILITIES & EQUITY

CURRENT LIABILITIES:	
ACCOUNTS PAYABLE:	
TRADE	35,253,139
ACCRUED LIABILITIES	1,002,940
CURRENT PORTION OF L-T DEBT	17,077,111
TOTAL CURRENT LIABILITIES	53,333,190
L-T DEBT EXCL CURRENT PORTION	45,498,293
TOTAL LIABILITIES	98,831,484

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STOCKHOLDER'S EQUITY:		
COMMON STOCK	$	19,607
ADDITIONAL PAID IN CAPITAL		7,338,706
TREASURY STOCK		(500,000)
CURRENT EARNINGS		(732,412)
SHAREHOLDER DISTRIBUTION		(63,034,178)
RETAINED EARNINGS		84,411,783
TOTAL STOCKHOLDERS EQUI		27,503,506
TOTAL LIABILITIES & EQUITY	$	126,334,990